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SENATE BILL 427

47TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2005

INTRODUCED BY

Steve Komadina

AN ACT

RELATING TO HEALTH CARE; PROVIDING FOR FACILITY AND HEALTH CARE  
PROVIDER RISK INSURANCE COVERAGE; AMENDING A SECTION OF THE  
NMSA 1978.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. A new section of Chapter 15, Article 7 NMSA  
1978 is enacted to read:

"NEW MATERIAL HEALTH CARE PROVIDER RISK INSURANCE  
COVERAGE. --

A. As deemed necessary for the public health of New  
Mexico by the secretary of health, a health care provider may  
voluntarily purchase risk insurance coverage offered pursuant  
to Section 15-7-3 NMSA 1978.

B. A separate account shall be maintained for the  
health care provider that voluntarily elects to purchase risk

underscored material = new  
[bracketed material] = delete

1 insurance coverage pursuant to Section 15-7-3 NMSA 1978.

2 C. For the purposes of this section, "health care  
3 provider" means a person, corporation, organization, facility  
4 or institution licensed or certified by this state to provide  
5 health care or professional services as a licensed physician,  
6 hospital, outpatient health care facility, osteopathic  
7 physician, chiropractic physician, podiatrist, nurse  
8 anesthetist, physician assistant, dentist, psychologist, doctor  
9 of oriental medicine, certified nurse practitioner or certified  
10 nurse-midwife. "

11 Section 2. Section 15-7-2 NMSA 1978 (being Laws 1978,  
12 Chapter 166, Section 7, as amended) is amended to read:

13 "15-7-2. RISK MANAGEMENT DIVISION. --

14 A. There is established a "risk management  
15 division" of the general services department. The director of  
16 the risk management division shall be appointed by the  
17 secretary of general services. The director shall be  
18 knowledgeable and experienced in general insurance practices.  
19 The director shall be responsible for the acquisition and  
20 administration of all insurance purchased by the state. Except  
21 as provided by this section, no state agency may procure any  
22 kind of insurance other than through the risk management  
23 division.

24 B. The risk management division shall apportion to  
25 each state agency or health care provider as referenced in

. 152828. 1

underscored material = new  
[bracketed material] = delete

1 Section 1 of this 2005 act its contributions toward the  
2 purchase of insurance or for the providing of coverage for any  
3 risk not insured. The amount of contribution by each agency or  
4 health care provider as referenced in Section 1 of this 2005  
5 act shall be determined by the risk management division and  
6 shall reflect the respective risks of each agency or health  
7 care provider as referenced in Section 1 of this 2005 act. All  
8 contributions toward the purchase of insurance or for the  
9 coverage of any risk not insured shall be paid into the public  
10 liability fund, the workers' compensation retention fund, the  
11 public property reserve fund or the group self-insurance fund,  
12 as appropriate. The department of finance and administration  
13 may collect or transfer funds from each agency or health care  
14 provider as referenced in Section 1 of this 2005 act to cover  
15 insurance or other costs, pursuant to the risk management  
16 division's instructions.

17 C. The director, upon a finding that efficiency and  
18 economy so require, may authorize any state agency to purchase  
19 insurance for, or otherwise cover, vision, dental, any group or  
20 individual health, life, accidental death and dismemberment or  
21 disability coverage. Any authorization granted shall be  
22 conditioned upon the prior approval by the director of any  
23 policy to be purchased and the premium to be paid by the  
24 agency. "